

Amendment No. 93 to HB7001

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AMEND Senate Bill No. 7001*

House Bill No. 7001

By deleting SECTION 14 of the bill in its entirety and by substituting instead the following language:

SECTION 14. Tennessee Code Annotated, Title 2, Chapter 10, is amended by adding the following as a new, appropriately designated section:

§ 2-10-____.

(a) The registry of election finance shall conduct audits and field investigations of reports and statements filed with the registry as follows:

(1) Each gubernatorial candidate and such candidate's committees, each candidate for the general assembly and such candidate's committees, and each candidate for supreme court, court of appeals and criminal court of appeals shall be subject to an audit by the registry only upon a finding of probable cause by at least four (4) members of the registry that a candidate has violated the provisions of this chapter.

(2) No audit or investigation of any candidate or candidate's committee in connection with a report or statement required by this chapter shall begin until after the last date for filing the first report or statement following the general election for the office for which the candidate ran. When the campaign statements or reports of a candidate are audited and investigated, the audit and investigation shall cover all campaign statements and reports filed for the primary and general elections and any previous campaign statement or report filed since the last election for that office, but shall exclude any statements or reports which have previously been audited.

(3) Audits of members of the general assembly shall only take place during June through December during odd-numbered years.

(b) In order to comply with an audit, candidates and campaigns shall retain copies of all checks, bank statements and vendor receipts for two (2) years after the date of the election to which the records refer.

(c) The registry shall adopt auditing guidelines and standards with guidance from the comptroller of the treasury which shall govern audits and field investigations conducted under this section. The guidelines and standards shall be formulated to accomplish the following purposes:

(1) The audits should encourage compliance and detect violations of this chapter;

(2) The audits should be conducted with maximum efficiency in a cost-effective manner; and

(3) The audits should be as unobtrusive as possible, consistent with the foregoing purposes.

In adopting its guidelines and standards the registry shall consider relevant guidelines and standards of the American Institute of Certified Public Accountants to the extent such guidelines and standards are applicable and consistent with the purposes set forth in this section.

(d) The detailed information received pursuant to this section for an audit shall be considered working papers of the registry of election finance and is therefore confidential and not an open record pursuant to Tennessee Code Annotated, title 10, chapter 7.

(e) After the completion and approval of an audit by the registry, the registry shall post any finding that could result in an assessment of significant penalties on the registry's web site, except that audits of candidates defeated in the primary election shall not be made public until after the general election.

(f) Failure to comply with an audit investigation under this section is a Class 2 offense as defined in § 2-10-110.

(g) Notwithstanding the provisions of this section, any candidate running for the office of governor more than one (1) year prior to the general election may elect to do self-audits. Such audits shall be given to the registry and the registry may give the candidate a letter of compliance stating the audit is complete and acceptable.